

**- MINUTES -**

**UTAH AIR QUALITY BOARD MEETING  
MARCH 13, 2002**

**I. CALL TO ORDER**

David George called the meeting to order at 1:35 p.m.

Board members present:

David B. George  
Jeffrey K. Utley  
JoAnn B. Seghini

James R. Horrocks  
Dianne R. Nielson  
Wayne M. Samuelson

John M. Veranth  
Karl F. Brooks

Executive Secretary: Richard W. Sprott

**II. Date of the Next Board Meeting**

The next meeting will be held April 3, 2002, at 1:30 p.m.

**III. Approval of the Minutes of the February 13, 2002, Air Quality Board Meeting**

Karl Brooks made the motion to approve the minutes of the February 13, 2002, Board meeting. Wayne Samuelson seconded the motion. The motion passed.

**IV. Approval of Changes to the Transcript of the Wasatch Constructors' Hearing**

JoAnn Seghini made the motion to adopt the changes. Karl Brooks seconded the motion. The motion passed.

**V. Request for Variance: Salt Lake Audubon Society**

Presenter: Tom Hopkins of IHI Environmental; Keith Johnson, Audubon Society; Frances Bernards, DAQ

In 1997, Great Salt Lake Audubon was a recipient of a cooperative agreement with the U.S. Fish and Wildlife Service to perform restoration activities along the Jordan River. The funding for this cooperative agreement is basically a settlement with the Sharon Steel Superfund site for natural resource damages. The goal of this project is to take some flood plain properties that had been overgrown with Russian Olives and Tamarisks and turn them into a migratory bird habitat for neotropical migratory birds. The Jordan River is a direct funnel for neotropical migratory birds as they pass through the area going north to south. It's a breeding and nesting ground. Russian Olives and Tamarisks do not make a very good habitat for migratory birds. The Audubon's goal is to remove the Russian Olives and Tamarisks and revegetate the area with more conducive plants to habitat.

In April 1999, the Air Quality Board granted a variance from open burning, and the Audubon Society successfully implemented an open burn of brush piles. In October 2000, more Russian Olives and

Tamarisks were cut down. The Audubon Society is requesting another variance from open burning to take care of the piled trees, which will accommodate the planting of native species.

Three non-burning options were evaluated:

1. Chipping the trees on site
2. Hauling the trees off site to a recycling facility
3. No action

The first two options were not feasible due to funding limitations and potential damage to the floodplain's soils and vegetation. The third option will not meet the project's objectives.

Dianne Nielson asked if there was any negative feedback from residences and businesses in the area from the burn conducted in 1999. Mr. Hopkins answered that they received no negative feedback.

The Society would like to complete the burn in one day. Frances Bernards commented that the wood has been drying for over a year now, and the dry fuel would mean a hotter flame and less smoldering.

Ms. Nielson asked if this would be an ongoing project—burning every other year. Mr. Hopkins noted that burning is not in the overall management plan.

**MOTION:** John Veranth made the motion to grant the variance with the recommendations and stipulations noted by DAQ staff. Karl Brooks seconded the motion. The motion passed.

## **VI. Approval Order Modification: PacifiCorp Gadsby Power Plant**

Presenter: Milka Radulovic, Environmental Engineer

PacifiCorp intends to install and operate three natural gas-fueled simple cycle gas turbine engine generator sets adjacent to their Gadsby plant. This facility will be permanent. Since the Gadsby plant is a state implementation plan regulated source, this project requires approval of the Board.

A public hearing was held on March 11, 2002. Both written and oral comments were received. Staff evaluated all comments, and staff recommends approval for issuance of this modification.

JoAnn Seghini said she received a call from Salt Lake City Corporation, and they are very concerned about ozone levels. Rusty Ruby, DAQ, stated that ozone is a secondary pollutant as a result of NO<sub>x</sub> emissions, and the NO<sub>x</sub> emissions for this project are controlled down to the lowest achievable emission rate. Computer modeling showed a minimal adverse impact.

John Veranth commended staff for reviewing the comments in the short time allotted. Mr. Veranth cited some specific errors in the document and that he did not see an alternatives analysis. Ms. Radulovic stated that those were typographical errors, and the alternatives analysis was included in PacifiCorp's application and the engineering review.

Mr. Veranth asked how much of the NAAQS increment was consumed. David Prey, the DAQ modeler for this project, stated that the NAAQS and the increment are separate standards. Both were considered insignificant. Mr. Veranth also wanted to know how the offsets were documented. Rusty Ruby stated that a source has to prove that offsets are available, and PacifiCorp has assured this.

**Public comment from Kathy Van Dame of the Wasatch Clean Air Coalition:** Ms. Van Dame stated that the DAQ has been responsive to questions she's had in past and present issues. The current environment in the valley seems to make it very easy to get new generation permitted in this valley, and she takes some responsibility for that because she didn't look at the first Gadsby temporary generation as carefully as she wishes she had. She thought it would be temporary and the site evaluations didn't seem to be nearly as important because it was going to be gone. The fact that it went through so easily made it so that PacifiCorp didn't look as carefully at some of the other sites as they could have.

She doesn't believe the DAQ, in this circumstance, has done anything other than their standard implementation of regulations, policy, and institutional habit. The things that she's asking for are a matter of raising the bar. She doesn't feel it's inappropriate, but would like the bar to be raised on this one so that in the future when someone wants to bring in a new large source that there's a closer examination. Our airshed is indispensable and it is being utilized without considered community decision. The Sierra Club asked for a mechanism to be instituted to examine air quality and energy issues. Rick Sprott told her that there is such a thing on the horizon and this is a very important thing. The only current arena that is available for looking at the airshed and its quality right now is the SIP process, and that looks at the whole airshed. But right now, the SIP is a very complex document; it's fragmented between what it is that the EPA's approved and is federally enforceable, and what it is that the DAQ is currently acting on. This is not to fault the DAQ. They've been leaping hurdles to try and get there to be some congruence, but that is a significant problem to looking at the whole picture in a realistic fashion.

Another issue is with the accelerated permitting. The policy was finalized in April 2001 in an atmosphere of extreme urgency. It was put out without public input, and when she first looked at it, she thought it was great. But in the way that it has actually panned out, she's come to look at it with a little bit less approval and she thinks it's not too late for this to go to public comment or some other source of larger input so that that policy can be adjusted so that it yields results closer to what everybody is happy with.

In the matter of offsets, EPA has commented at least three times adversely on the way that DAQ calculates offsets. That illustrates to her that not one side is right or wrong, but that there is certainly room for opinion in this matter among informed people. From her understanding of where these offsets actually come from, they're eight years old. They came out of the airshed eight years ago, and now because of a quirk in the way that the offsetting system works, these emissions are coming back into the environment without consent. If the rule truly does allow that to happen, there's a problem with the rule also. Rule R307-401-8 for nonattainment and maintenance areas, gives the standard that "in the notice of intent must be an adequate analysis of alternative sites, sizes, production processes, and environmental control techniques for such proposed sources which demonstrates that the benefits of the proposed source significantly outweigh the environmental and social class imposed as a result of this location construction or modification."

These kinds of permits haven't been being done recently. She thinks there has been no new generation permitted in a long time. The way that this has been handled is the same way that it's been handled historically. This is a particular area where the bar needs to be raised. In the analysis, there could be more rigor brought to the presentation that PacifiCorp and their consultants presented in the application.

The Sierra Club also commented on the evaluation of the application. The alternative solutions were not evaluated very well, as far as wind goes, as far as dsm. Last summer PacifiCorp promulgated their 10/10 and 20/20 program. (PacifiCorp offered residential and small businesses the opportunity to participate in an energy efficiency program with a rebate. If over 20% was saved over the amount of energy used the previous year in that month, a source didn't have to pay for electricity not used and a 20% rebate was issued. If usage was reduced by 10%, a 10% rebate was issued.) There was a 25% participation in Utah. It was not well publicized. There was a phenomenal participation and this kind of project was not used in the evaluation as far as whether or not the new generation was needed in the valley. The Sierra Club also comments that there needed to be quantification of PacifiCorp's justifications for needing this, and there were transmission constraint in the valley and voltage support. In the documentation that was evaluated by DAQ, neither of those assertions were evaluated as far as quantifying them. Sierra Club questions the urgency to add peaking power without the demand side management programs being implemented, the need for a task force to examine energy efficiency in air quality, the way the offsets were used, ammonia being brought into the valley and its contribution to nitrogen loading, the commitment to clean up the current boiler, the fact that the geology where Gadsby is at right now is at earthquake risk, and environmental justice issues as far as the folks that are living in that neighborhood, and the increasing industrialization of their neighborhood.

There are substantive issues here. The Board and the commenters deserve adequate answers to these questions. Not all of these, maybe not even a majority of these, concerns are stoppers, but they deserve to be looked at with more rigor.

(End of Ms. Van Dame's comments)

Mr. Veranth stated that there are too many errors in the approval order that need to be corrected. Mr. Veranth made a motion to table this issue until the next meeting so that the staff has time to thoroughly review all of the comments received and correct the errors.

Robert Van Engelenhoven of PacifiCorp addressed the Board. He said delaying this issue for a month would have a definite impact on the schedule of this project. PacifiCorp is under the governance of the Public Service Commission who evaluates the needs of PacifiCorp and makes a decision as to whether the needs are valid and if cost effective means have been utilized. The Public Service Commission then issues a certificate that states a project is valid and needs to be completed. For this issue, a certificate was issued in January of this year. The site work has been completed and the material is 90% on site. All equipment will be on site within two weeks.

Dianne Nielson suggested tabling the issue until the end of the Board meeting, giving PacifiCorp time to check the project schedule and confirm if a three-week delay is something they could accommodate. It was agreed to table the issue until the end of the Board meeting.

## **VII. Approval Order Modification: Geneva Rock Products**

Presenter: Enqiang He, Environmental Engineer

Geneva Rock Products operates an asphalt and concrete batch plant in Orem, Utah County. The area is nonattainment for PM10 and CO. The company is proposing to:

1. Increase the flow rate of the baghouse for the asphalt plant
2. Burn natural gas in addition to coal
3. Raise the silt content of the washed concrete sand and concrete aggregate to 2.5% and 0.75% respectively.

The net emission increases in PM10, NOx and SO2 are less than the thresholds required for offset. A comment period was held and no comments were received. Because the company is listed in the Utah County PM10 SIP, Air Quality Board approval is required for the modification. Staff recommends approval of the request.

**MOTION:** John Veranth made a motion to approve the modification with the correction to include in item 9 of the approval order the 2.5mdscf/hr baghouse flow rate as given in the notice of intent. Jeff Utley seconded the motion. The motion passed.

## **VIII. Approval Order Modification: Flying J Refinery**

Presenter: Tim DeJulis, Environmental Engineer

Big West Oil Company's Flying J Refinery has requested permission to install sleeves at each floating roof guide pole on tank #3. They are also requesting permission to increase the crude oil throughput limit at tank #3. The resulting increase does not alter the existing SIP limits. A public comment period was held and no comments were received.

Flying J Refinery is listed in the Salt Lake County PM10 SIP, and the Air Quality Board must approve any changes to their operation. Staff recommends approval of this request.

Jeff Utley recused himself from voting since he is employed by Flying J.

**MOTION:** David George made the motion to approve the modification contingent upon no additional public comments being received prior to 5:00 p.m. on 3/13/02. JoAnn Seghini seconded the motion. The motion passed.

## **IX. Propose for Public Comment: Deletion of R307-110-16 and SIP Section IX.G, Control Strategies for Fluoride**

Presenter: Jan Miller, Rules Coordinator

This plan was written in 1982 for a plant that is not only out of business, but totally dismantled. Staff recommends deleting this portion of the SIP.

**MOTION:** JoAnn Seghini made the motion to approve the deletion. John Veranth seconded the motion. The motion passed.

**X. Propose for Public Comment: New Rule R307-310, Salt Lake County: Trading of Emission Budgets for Transportation Conformity**

Presenter: Colleen Delaney, Environmental Scientist

Wasatch Front Regional Council (WFRC) has been using combined emission budgets for NO<sub>x</sub> and PM<sub>10</sub> to demonstrate transportation conformity with the Salt Lake County PM<sub>10</sub> SIP. Recent discussions with EPA have highlighted the need to establish procedures for allowing trading between these budgets as well as the need to provide additional documentation that trading is consistent with the approved PM<sub>10</sub> SIP. This work needs to be completed on an expedited schedule to ensure that Wasatch Front Regional Council's transportation plan can be evaluated using the new procedures and thereby avoid a conformity lapse in July of this year.

This new rule only applies to mobile sources in Salt Lake County for the purposes of transportation conformity and does not apply to stationary sources. The rule allows WFRC to move a portion of the budget for primary PM<sub>10</sub> to the budget for NO<sub>x</sub>, thereby increasing the NO<sub>x</sub> budget while decreasing the primary PM<sub>10</sub> budget correspondingly. This rule only works in one direction. The NO<sub>x</sub> budget cannot be used to supplement the budget for primary PM<sub>10</sub> in the outer years of the program.

The timing of this rule change is important because Salt Lake County could possibly lose its conformity status in July of this year. The State has been working with EPA during the development of this rule and intends to request that EPA approve the rule through a parallel process where the federal public comment process would start based on the proposed rule. An expedited schedule will be needed to prevent a possible conformity lapse. Therefore, we are also asking the Board to move the May Board meeting to May 13 to allow action on this proposed rule at the earliest possible date.

Staff recommends proposing the new rule for public comment.

Kip Billings of the Wasatch Front Regional Council expressed appreciation to the DAQ for pursuing this rule change to clarify how conformity is done with PM<sub>10</sub> in Salt Lake County. The years for which this would be applied would not only be 2003 and 2010, but all years for which a conformity analysis would have to be done up through 2010 and possibly beyond.

**MOTION:** John Veranth made the motion to propose new rule R307-310 for public comment. Jim Horrocks seconded the motion. The motion passed.

**XI. Propose for Public Comment: Amend R307-110-10 and State Implementation Plan Section IX, Part A, Fine Particulate Matter (PM<sub>10</sub>) for Utah County**

Presenter: Dave McNeill, SIP Section Manager; Cheryl Heying, Planning Branch Manager

David George thanked the staff for doing a fine job in pulling this together in a quick manner.

In 1991, the Utah Air Conservation Committee, which is the predecessor to the Board, adopted the state implementation plan for PM10 for Utah County. Several years later, EPA adopted the transportation conformity regulations mandating that the air pollution resulting from the transportation plans developed for the area conformed to the mobile source emissions projections that were included in the SIP for the area. Congress also required that the transportation planners use the most current models to calculate their mobile source emissions to make that conformity determination. Thus, although a plan was not created with the concept of capping the pollution from transportation in mind, that's exactly the results of these events. That early SIP was developed using MOBIL 4 model to calculate mobile source emissions. Soon after the SIP was approved by EPA, a new emissions model, MOBIL 5, was released, and then a few years later MOBIL 5B was released. Each of these new models predicted higher mobile source emissions per vehicle mile traveled. Additionally, the Mountainland Association of Governments (MAG) found that the growth in Utah County vehicle miles traveled severely exceeded the growth that they had used in making projections that were used in the SIP. Not only were the numbers in the model going up, but the VMTs that were the basis for those emissions were also going up.

Finally, as discussed in the action just approved, EPA changed their policy and would no longer allow the primary and secondary components of PM10 to be combined to demonstrate conformity. As a result of these factors, in 1999 MAG was no longer able to demonstrate conformity for their transportation plans and they have been unable to begin any new highway or transit projects since that time. In early 1999 when it was determined that this lapse in conformity would occur, meetings were held with EPA, UDOT, MAG, and other stakeholders to develop a plan to replace that conformity budget. EPA required that the revised SIP or maintenance plan be based on the dispersion model that would account for our complex terrain meteorology and the chemical reactions that occur in the atmosphere to create PM10. DAQ began collecting the inventory data needed for such an effort, funding was secured from the legislature, a consultant was hired to help with the development of the UAM Aero model for the Wasatch Front, DAQ contracted with the University of Utah to help develop the needed met data, and the expertise needed to run the UAM Aero model was developed. Several runs have been made with UAM Aero, and it is believed that attainment will be demonstrated using it. DAQ is also working with EPA to determine exactly what will need to be included in that eventual final SIP or maintenance plan. In the meantime, an interim SIP revision has been developed that will allow a positive conformity determination by MAG but that does not address all of the issues that need to be addressed in the final SIP and maintenance plan.

Last month, the interim SIP revision was sent to the Board. Just before the Board meeting, it was determined that the resolution of some of the critical issues was not far enough along to bring it before the Board, and it was pulled from the agenda. Therefore, the Board was asked to wait one month to enable DAQ to iron out some of those issues so where the SIP that the Board was being asked to adopt would be much closer to what EPA was expected to approve. A lot of work has gone into working with EPA and Geneva Steel to address the concerns. On March 6, the then current version was sent to the Board, with a note saying that it was still a work in progress and that a revision would be sent between then and the Board meeting. The obvious change in the revision was that all of the language was removed that mentioned Salt Lake County, or that dealt with Utah County, but was not being revised at this time. This change alone eliminated many, if not most, of EPA's concerns. That version also included the addition of one other source, Geneva Rock Products in Orem. Notice that Geneva Steel was going to bank a significant portion of their allowable emissions, and DAQ identified what would be banked and what would be their remaining allowable emissions. DAQ is still working with Geneva and EPA on some compliance demonstration issues and a few minor inventory issues. On March 11, DAQ sent out a point-

by-point explanation between the changes of the March 6 and March 11 versions. The majority of those revisions were changes to Geneva Steel's compliance demonstration. Today, the Board received replacement cover pages changing the dates of final adoption, which will be June 5, 2002. This was done because if DAQ comes back later and changes the date, that is considered a significant revision by the Division of Administrative Rules.

As with the Salt Lake County issue, DAQ will request parallel processing from EPA.

John Veranth asked what would happen on the ground in order to stay within these budgets.

Dave McNeill answered that this SIP is not requiring anything that hasn't already been done. DAQ is only putting into verbiage what has already happened. Since the 1991 federal EPA approval, a number of approval orders have been issued, and a lot of things have been done with industry, Mountainland Assn. of Governments has done things, and a new model has been used. DAQ took the current emissions inventory and conditions of current approval orders and put those into the SIP.

Mr. Veranth asked if there were any major contentions with people who have attended the stakeholder meetings.

Cheryl Heying responded that general consensus has been reached, but there are still some issues with compliance.

Dave McNeill noted that the purpose for this SIP revision is to allow Mountainland Assn. of Governments to demonstrate conformity, and with things going the way they're going, they should be able to do that.

**MOTION:** JoAnn Seghini made the motion to take R307-110-10, the State Implementation Plan Section IX, Part A, Fine Particulate Matter (PM10) for Utah County, to public comment. Karl Brooks seconded the motion. The motion passed.

## **XII. Amend R307-110-17 and State Implementation Plan Section IX, Part H, Emission Limits for Utah County**

Presenter: Dave McNeill; Cheryl Heying, Planning Branch Manager

No discussion was held because this item was discussed with the previous item.

**MOTION:** David George made the motion to propose for public comment the amendment to R307-110-17 and State Implementation Plan Section IX, Part H, Emission Limits for Utah County. John Veranth seconded the motion. The motion passed.

### **Continuation of PacifiCorp's Gadsby plant approval order.**

Robert Van Engelenhoven stated that on April 3 PacifiCorp would be at the point where they will be ready to interconnect piping. They can get to that point without impact of delay, but that will increase the risk of potential delay. This issue has been through the public process. The Public Service Commission



agrees and endorses the project and that it's the right action to close the gap between resource and demand. This has also gone through Planning and Zoning in Salt Lake City and the building permit process in Salt Lake City. In other words, this issue has gone through the entire public process.

In clarification, Dianne Nielson wanted to know what it is the Board would ask either that PacifiCorp be doing in this intervening period or that the Division be doing so we know what to expect is going to come back before the Board or what new information we would have that we don't have now.

John Veranth said the specific thing would be for the staff to get all the corrections made to the approval order and to make sure that all of the substantive comments that were submitted in writing have been reviewed and responded to.

Jeff Utley asked if there were any outstanding comments that have not been responded to. Rusty Ruby responded that DAQ believes all the comments have been considered. Rick Sprott said the Division has always followed the practice of responding even though it's not a regulatory requirement.

John Veranth said that one of the issues that is real is the consideration of alternatives (should get alternatives analysis early in the process). There is also the need to figure out what's happened to energy projects that are going to affect the non-attainment area.

Rick Sprott commented that this is an even broader issue. This topic was broached at the Governor's Roundtable a year ago. The State Energy Coordination Team, which has residence within the Department of Natural Resources, has suggested that there be a process or a forum set up to deal with the broader question of what is the best use of the airshed and have others, other than the Division of Air Quality and the Air Quality Board, determine those policy decisions because they are larger societal issues that need to be fleshed out and prioritized as policy matters as opposed to regulatory matters.

Jim Horrocks pointed out to PacifiCorp that they are going to continue to incur significant risk if they're relying just on the Public Service Commission to make decisions on selection of sites; that there is a difference between this Board's responsibility and that Board's responsibility, and that risk can be reduced if they're brought concurrent in pursuing future sites.

Mr. Veranth's motion did not receive a second.

**MOTION:** David George made the motion to approve this approval order modification as written with the explicit proviso that upon review by the staff that no carried-forward errors have been found in the calculation basis. Jim Horrocks seconded the motion. The motion passed with one abstention.

DAQ will bring the new approval order to the next Board meeting in order to address Mr. Veranth's comments.

### **XIII. Public Hearings**

| <b>Proposed Item</b>                             | <b>Date</b> | <b>Time</b> | <b>Location</b> | <b>Hearing Officer</b> |
|--|-------------|-------------|-----------------|------------------------|
| Operating permit definitions and fees amendments | March 22    | 10:00 a.m.  | Room 201, DEQ   | DAQ staff              |
| SL County emissions budget                       | April 22    | 1:30 p.m.   | Room 101, DEQ   | Dianne Nielson         |
| Utah Co. PM10 SIP and emission limits            | April 23    | 1:30 p.m.   | MAG Offices     | Jim Horrocks           |
| Delete Fluoride SIP                              | April 24    | 1:30 p.m.   |                 | DAQ staff              |

### **XIV. Information Items**

#### **A. Compliance Activities**

John Veranth asked if a settlement has been reached with Geneva Rock Products. Fred Nelson responded in the affirmative; however, he has not seen the signed agreement. No further questions or comments.

#### **B. HAPS Compliance Activities**

Bryce Bird commented that two members of the HAPS staff attended the national asbestos meeting that was sponsored by the National Conference of State Legislators. A good portion of that meeting was dedicated to the Libby, Montana, vermiculite and asbestos issue. If anyone wants information, please contact Bryce.

The Asbestos Advisory Committee is still active. A rule change is being worked on and should be finalized in three or four months.

#### **C. Monitoring Activities for February 2002**

The woodburning season has ended.

Bob Dalley reviewed the monitoring data for February. For the last two years, most of the response to the woodburning program has been to the 2.5 particulate concentrations. Prior to that, the response was to PM10. The Bear River Health Department initiated a proactive approach to particulate control in implementing a woodburning control program in Cache County this winter. February 7, 2002, was the worst particulate pollution day since 1972.

Rick Sprott reported that Kennecott is working diligently to solve the tailings pond dust problem.

#### **D. SIPs Update**

No questions or comments.

**XV. Miscellaneous**

David George asked if there had been any feedback from the Olympics relative to air quality. Rick Sprott commented that even though there was a mild inversion during the Olympics, the traffic congestion plans that were in place seemed to work well. DAQ will encourage the use of mass transit as a positive lasting legacy from the Olympics.

Dianne Nielson stated that there were a lot of comments about the fireworks. Sometimes fireworks show up as spikes on the nearest air monitor, but they don't last long. During the closing ceremonies, within three minutes of the fireworks, the wind fortunately picked up and dispersed the fallout. The Board has never dealt with the issue of fireworks, either during the winter or the summer ozone season. For some people, pollution from fireworks can be a problem. Had the fireworks display heightened the health impacts of the inversion, it would have been an area of concern.

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The meeting adjourned at 3:50 p.m.